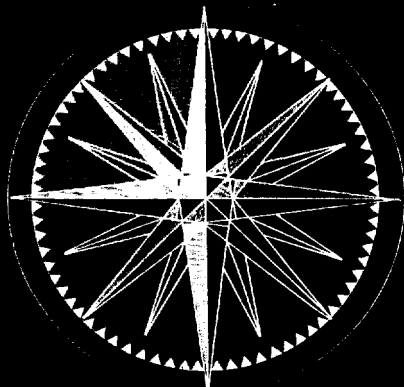


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29 October 1965

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WEEKLY SUMMARY

State Dept, ARMY, & DIA review(s) completed.

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VIETNAM

Viet Cong military activity increased during the past week, and total incidents hit a record high for the fourth consecutive week. The enemy suffered heavy losses again in several battalion- and company-level attacks launched against South Vietnamese forces.

Large-scale activity was highlighted by an eight-day enemy siege of the Plei Me Special Forces camp in Pleiku Province, which began on 19 October and included an attack on a government relief column four days later. Communist forces in the area--including possible North Vietnamese units--employed extraordinary measures to retain their positions in the face of more than 1,000 air sorties launched against them during the period. Enemy losses were estimated to be over 300 killed compared with government casualties of 111 killed (12 US), 231 wounded (5 US), and 25 missing. Five US aircraft were also shot down by enemy ground fire.

Other Viet Cong assaults of at least battalion strength in Quang Duc, Phu Yen, and Hau Nghia provinces were also costly for the enemy. Supported by timely and effective air strikes, government troops sustained moderate losses while killing more than 550 Communists during the attacks.

A coordinated sabotage mission against US Marine air installations at Da Nang and Chu Lai on the night of 26-27 October destroyed or damaged 47 aircraft, including 22 helicopters destroyed and 18 damaged at the installation east of Da Nang. At the main air base near Da Nang, the attackers were routed. Saboteurs at Chu

Lai destroyed two A-4 Skyhawk aircraft and damaged five others. During the attacks 39 Viet Cong were killed and 6 captured, as compared with 3 US personnel killed and 80 wounded.

USMACV has tentatively accepted the presence of two more North Vietnamese (PAVN) regiments in South Vietnam, probably in Pleiku Province. Both are believed to have infiltrated within the past two months. Three other PAVN regiments are carried by MACV in its Viet Cong order of battle.

South Vietnam Political Scene

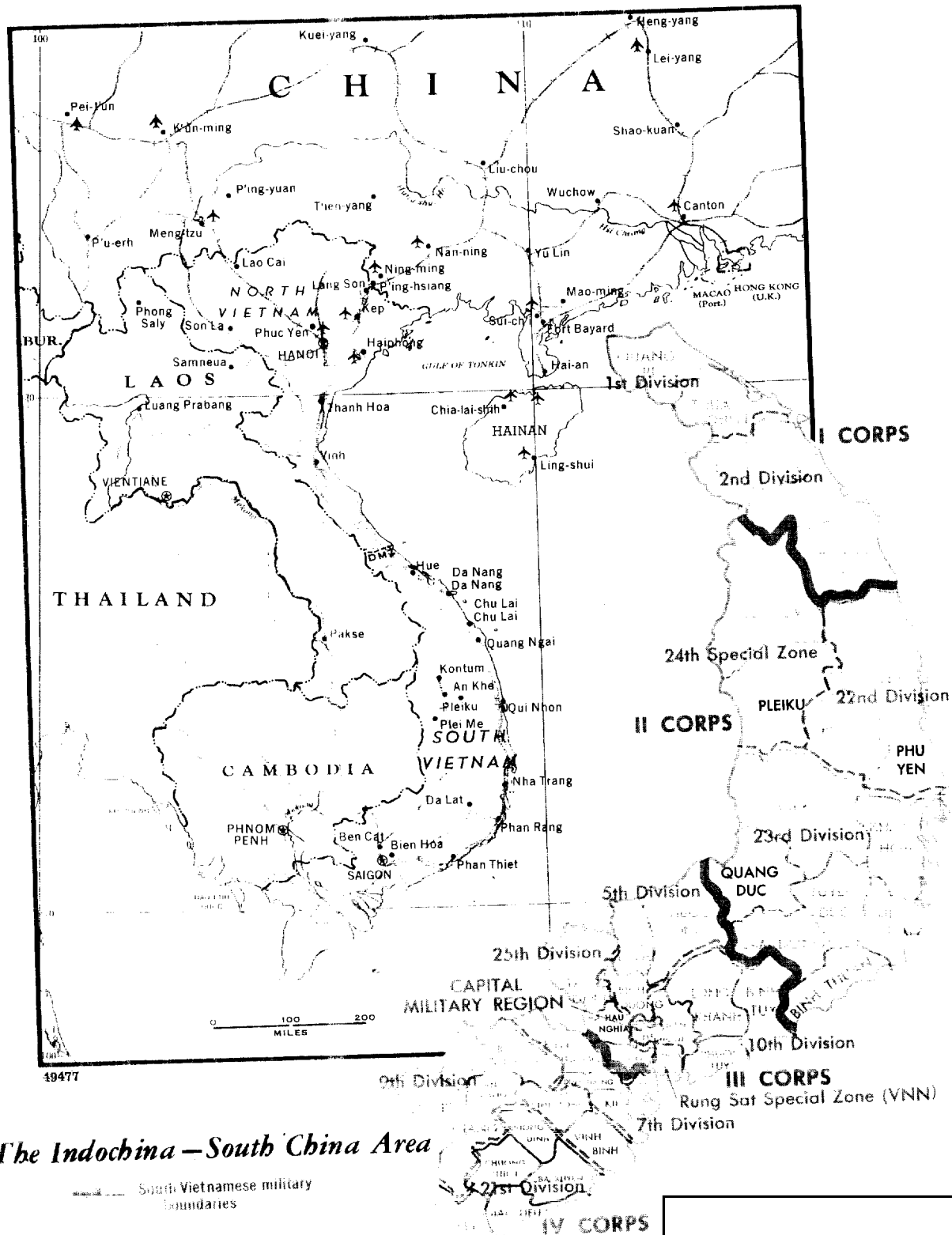
Premier Ky's press conference in Saigon last week focused on growing popular concern over inflation, rising prices, and commodity shortages. Ky blamed both the Viet Cong and certain civilian groups for conducting economic sabotage. Among other remedial steps, Ky said that the issuance of ration cards for essential foodstuffs was being considered. He also stated that some government and US military facilities would soon be moved out of the Saigon area to relieve congestion in the city.

In an attempt to counter a flurry of coup rumors and reports of his possible resignation circulating in the capital during the week, Ky emphasized his intention to remain as premier. According to General Khang, commander of the Capital Military Region, the unfounded rumors result from Viet Cong propaganda efforts and the incessant intrigues of powerless civilian political groups.

North Vietnam Political Actions

Hanoi moved carefully this week to avoid taking sides in

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the Sino-Soviet controversy. At the recently concluded World Federation of Trade Unions (WFTU) congress in Warsaw, the DRV delegates attempted to stay in the middle as the Chinese representatives attacked the Soviets on the issue of the role of peaceful co-existence in the struggle against imperialism. Hoang Quoc Viet, head of the DRV delegation, confined his major address to the situation in Vietnam.

He reiterated Hanoi's standard line on a settlement of the war, gave balanced praise for the support rendered by both the Chinese and Soviets to the Vietnamese, and called upon the congress to adopt resolutions supporting the struggle of the Vietnamese people. Viet left to the second-ranking member of his delegation, Nguyen Minh, the task of commenting on the ideological issue that had split the congress. Minh, in a short speech several days after the major Soviet and Chinese addresses called upon the WFTU to "support the policy of coexistence of socialist countries, not treating it, however, as the only possible way to fight for peace."

Fear of publicly offending one side or the other may also have prompted the Vietnamese to join in calling for a postponement of the upcoming Afro-Asian Conference in Algiers.

A crucial issue in the preparations for the conference has been whether or not the Soviet Union may be officially represented at Algiers. The Chinese have bitterly fought any move to invite the Soviets, and the Vietnamese would find themselves in a most difficult position should they be required to vote on Soviet representation.

An additional reason for the DRV's call for postponement may be the recently announced Chinese decision not to attend the conference if it is held as scheduled. With Chinese influence absent from Algiers, the possibility of the passage of a moderate resolution on the Vietnam issue would be greatly improved. Hanoi has been increasingly concerned that such a resolution would be adopted at this or a similar conference. Indeed, this concern probably prompted regime officials earlier in the month to urge representatives to the Organization of African Unity conference in Accra to avoid discussing the Vietnam question altogether.

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The Communist World

THE LATEST WARSAW PACT EXERCISE

"October Storm," the most widely advertised Warsaw Pact exercise ever conducted, ended on 24 October. It appeared to be more a propaganda display for domestic and foreign consumption than a genuine test of military capabilities.

The exercise was held in southwestern East Germany under the direction of the commander of the Soviet Forces in Germany (GSFG), Army General Petr Koshevoy. Soviet, East German, Polish, and Czechoslovak air and ground force units appeared in the area from 16 to 24 October, and some participated in a parade of about 1,600 troops in Erfurt on the 24th. East German party leader Ulbricht and Premier Stoph, Soviet Marshal Andrey Grechko who commands the Warsaw Pact forces, and his deputies, the six East European defense ministers, reviewed most of these ceremonies. Western military personnel were denied access to the area from 9 through 27 October.

The Soviets made an unusual effort to inform the West about the nature and meaning of the military build-up associated with the exercise. Marshal Grechko told the US Army attaché in Moscow that the primary purpose of

the exercise was to demonstrate the combat readiness of pact forces, so that the West would not underestimate them or miscalculate in reaching "important military decisions." Grechko was probably referring to decisions concerning West German participation in NATO nuclear arrangements. A Soviet Embassy official assured a British officer in Berlin that the exercise had "no political implications whatever for Berlin and would not affect the city in any way."

The most impressive military aspect of the exercise was the airlift of over 1,000 Polish airborne troops and their equipment from staging areas in Poland to Erfurt on 21 October. About 100 Soviet AN-12 transports carried the men and equipment, the largest single airborne operation in Eastern Europe to date.

About four Soviet ground divisions, two East German divisions, and at least one Czech division were represented in relatively small-scale tactical demonstrations. Some of these units were probably of no more than battalion strength.

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CONTINUING PROBLEMS IN THE SOVIET ECONOMY

The USSR has made little apparent progress in implementing the administrative reorganization of Soviet industry approved almost a month ago.

On 6 October, the chief editor of the party's authoritative economic journal outlined some of the problems the reorganization will create. He said that the reorganization will not simply involve a return to the pre-1957 system of industrial ministries. He pointed out that individual plant autonomy and the combining of small enterprises into firms and associations will become increasingly prevalent. He also stressed that the ministries would decide the "central" questions and that the rights of the republics to participate in the planning of their enterprises would be expanded. Such developments probably will entail considerable compromise, uncertainty, and delay.

A recent issue of the leading economic weekly Ekonomicheskaya Gazeta lists 35 "approximate" topics for discussion at a forthcoming economic conference which will consider the managerial reforms and appeals for ideas. This public solicitation of suggestions

which may be used to implement the reforms reinforces the implication in speeches at the September plenum that few of the practical details have yet been worked out.

The Soviet leaders face still another worrisome problem in agriculture. Because of a combination of continued wet weather and delay in harvesting the 1965 crop, only 89 million acres had been planted to winter grain as of 20 October instead of the 105 million planned. Although sowing is still under way in some areas, the final figure probably will be 10 to 15 million acres below plan.

The winter wheat crop normally accounts for about 40 percent of the year's total wheat harvest, but it was only the successful 1964-65 winter crop that partially offset the disastrous spring harvest in important grain areas. Even so, the USSR has had to purchase 7.2 million metric tons of wheat abroad for an estimated \$500 million since July. With the acreage for the 1966 winter grain crop now 16 percent below plan, the USSR is beginning the new agricultural year on an inauspicious note.

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CZECHOSLOVAK PARTY DISSENSION PERSISTS

Decision making by the Czechoslovak party continues to be hampered by internal difficulties and personality conflicts generated by de-Stalinization, economic problems, and the unpopularity of party leader Novotny. As preparations proceed for next spring's party congress, these difficulties again threaten to precipitate a major reshuffling of top personnel and to raise the question of Novotny's tenure as first secretary.

Although ideological issues still plague the party, the central preoccupation is the implementation of the economic reform, which depends partly on certain foreign trade guarantees which Moscow does not appear willing to furnish. This Soviet reticence apparently has aggravated the debate on Czechoslovakia's trade orientation. A recently demoted "pro-West" deputy foreign trade minister may have been the first major casualty in this struggle.

At least some Czechs have been anxious to impress upon the US their disappointment in Soviet promises and Prague's desire for increased trade with the West. The US Embassy believes that the struggle within the party on trade policy is reflected in the regime's indecisive actions, and the inconsistency of its policies toward the US.

The cancellation of Novotny's early October trip to Bulgaria and the unexplained two-day visit to Prague by Brezhnev in mid-October also strongly suggest that policy divisions within the party are causing serious problems.

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COMMUNIST CHINA'S 1966 GRAIN PURCHASES

Communist China, which is expected to buy roughly 6 million tons of grain again next year, has begun lining up its sources. One mission has just concluded a new three-year, 6-million-ton grain deal with Canada--with provision to expand China's purchases considerably, apparently if Canadian facilities permit. Under this pact, China's purchases from Canada in 1966 are likely to top 2 million tons.

Chinese trade representatives are also in Argentina

another major supplier, Australia, which provided Peking with over 2 million tons in 1965, has been hard hit by drought and is reportedly expected to furnish only about one million tons to China next year. To compensate, the Chinese may have to buy from relatively high-priced secondary suppliers such as Mexico and France.

Over the last five years, China's annual grain purchases from the West have averaged almost 6 million tons costing more than \$400 million.

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INDIA-PAKISTAN

The UN Security Council is meeting again at Pakistan's request to consider means for bringing about the withdrawal of opposing Indian and Pakistani forces. Pakistan's call for renewed deliberations featured an allegation that Indian forces were regrouping for a new attack. The Indians, who had previously denied any such intent, walked out of the Security Council session on 25 October when Pakistani Foreign Minister Bhutto accused them of "genocide" in their portion of Kashmir. The Council, meanwhile, faces new problems in dealing with Indo-Pakistani relations as a result of French and Soviet insistence that it exercise strict control over the UN secretary general's efforts to implement its September ceasefire resolution.

Pakistan's initiative in the Security Council probably was prompted more by concern that UN efforts on Kashmir were losing momentum than by genuine fear of an Indian attack. Nevertheless, Rawalpindi's stocks of war materiel are dangerously low. Recognizing that the continuing daily exchanges of firing heighten the risk of renewed fighting, Pakistan has abandoned its insistence that troop withdrawal be accompanied by progress on substantive issues. The Pakistanis probably will continue to refuse to vacate their holdings in the Chhamb area of Indian Kashmir unless New Delhi agrees to a matching withdrawal farther north.

The Indians, on the other hand, are relatively relaxed after their "victory" in the

short war, and do not share Pakistan's sense of urgency. Indian officials are concentrating their energy on exhorting their countrymen to greater agricultural productivity and on reallocating their slender economic resources to place greater emphasis on defense. New Delhi presumably is interested in securing a troop withdrawal in the Punjab and in the Pakistani-held Chhamb area, but would prefer to allow local commanders to work out the details.

New Delhi is adamant, however, in its refusal to consider a pull-back of Indian forces across the 1949 Kashmir ceasefire line. Indian officials claim to have reliable information that large bodies of men are being trained in Pakistan's portion of the disputed state for future guerrilla raids into Indian Kashmir. The Indians assert that their forceful "readjustment" of the line last August was essential to sealing off infiltration routes, and they consider the alterations permanent. Indian civil administration has been extended to a number of Kashmiri villages in territory recently "liberated" from Pakistan.

The Indians are also unlikely to give way on their refusal to negotiate on the substantive issues underlying the recent warfare. The consensus among leading political figures in New Delhi appears to be that any softening of the Indian line on Kashmir--particularly in advance of the 1967 general elections--would be political suicide.

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NEW TURKISH CABINET

The cabinet announced by Turkey's new prime minister, Suleyman Demirel, on 27 October appears to be generally competent, is acceptable to the military, and includes most of the moderate leaders of the dominant Justice Party (JP).

Some of the ministers--including the defense minister--were jailed briefly after the 1960 military coup, but nearly all are from the JP's moderate wing, which has advocated accommodation with the army and has disavowed any vengeance for the coup. The JP is generally regarded as successor to the former Democratic Party which the military ousted.

All JP members of the four-party coalition cabinet which governed before the 10 October election have been retained. The two former cabinet members from the rightist Republican Peasant Nation Party who joined the JP last summer also received portfolios.

The new foreign minister, Ihsan Sabri Caglayangil, is one of the JP's most prominent members but has little experience in foreign affairs and was not a success as minister of labor. His lack of success, however, was due in part to mutual suspicions between himself and labor leaders.

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MAPAI PARTY FACES SERIOUS TEST IN ISRAEL'S NATIONAL ELECTION

The Israeli parliamentary election on 2 November will be the most serious test yet faced by the Mapai Party, which has dominated the government since the establishment of Israel in 1948.

Mapai strength has apparently declined because of intra-party dissension. For the first time, David Ben-Gurion will not be heading the Mapai ticket. The former prime minister now heads a splinter group called the Israel Workers' List, or Rafi, which is wooing traditional Mapai supporters and challenging the leadership of Prime Minister Eshkol and his "old guard" associates.

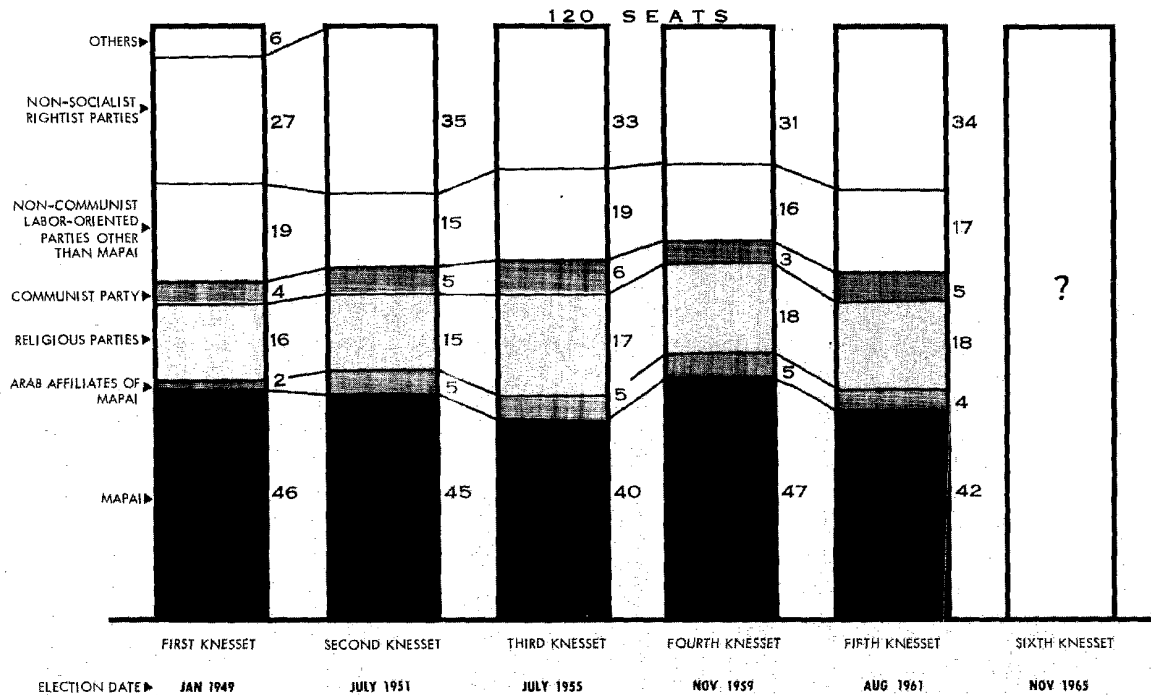
Ben-Gurion's defection from Mapai followed his defeat on two

crucial issues at the party convention in February 1965. One was his desire for a new inquiry into the "Lavon affair," a tangled controversy over who was to blame for an abortive sabotage operation in Egypt in 1954.

The other issue was Ben-Gurion's objection to the terms of the election "Alignment" arranged by Eshkol between Mapai and Achdut Haavodah, a doctrinaire socialist party somewhat to the left of Mapai. Achdut Haavodah had insisted that Mapai agree not to press for elections on a new multiple-constituency basis favored by Ben-Gurion. Under the present proportional electoral system, the entire country is taken as a single constituency and Knesset (parliament) seats are awarded to the

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ISRAEL: PARTY STRENGTHS IN THE KNESSET SINCE 1949



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parties according to their share of the total vote.

Some decline in Eshkol's strength was revealed in the 19 September election of the Congress of the Histadrut, or general federation of labor. Most Israeli political parties participate in Histadrut, and its elections are an indicator of relative strength. In this election the percentage of delegates controlled by the Mapai - Achdut Haavodah Alignment slipped from just over 72 to just under 51. A rightist Herut-Liberal bloc, Gahal, captured over 15 percent, and Ben-Gurion's Rafi won over 12 percent.

Some of the Alignment's loss is due to the fact that the Herut had its own slate and did not support Achdut Haavodah, as it had in 1959. Rafi's gains, however, are chiefly at the expense of the Alignment, suggesting that it is also likely to lose at least four or five Knesset seats on 2 November.

Eshkol should still be able to form a government, but the Alignment probably will be forced to include the Marxist-socialist Mapam party in the coalition to make up for the losses to Rafi. This in turn would entail some concessions on domestic economic policies, but not on Israel's pro-Western foreign policy or on its tough stand against the Arab States.

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UK-RHODESIAN AGREEMENT ON INDEPENDENCE REMAINS DOUBTFUL

The new talks in Salisbury between Prime Ministers Smith and Wilson have only a slim chance of producing agreement on the issue of Rhodesian independence.

Officials in London state that Wilson has no major new initiative in mind, but that he hopes to change the political climate in Rhodesia and thus reopen the negotiations which broke down in London earlier this month. Wilson presented Smith with a personal letter from the Queen, expressing her hope that a solution will be found. He is talking with many other Rhodesians, including the two leaders of the divided African nationalist movement, both of whom are restricted

to detention areas. Wilson hopes they will modify their demand for immediate adoption of the "one-man, one-vote" system.

If negotiations are reopened, they might center around Smith's proposal for independence under the existing constitution, backed by a treaty guaranteeing no retrogression in African political rights. London has previously insisted that more rapid steps toward African majority rule must be taken, and Wilson may hope to convince Smith to incorporate such steps in an independence treaty. Smith has stated, however, that any further concessions must be made by the UK, and that he sees little likelihood of further negotiations.

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AFRICAN LEADERS CONCLUDE ACCRA SUMMIT

The third summit meeting of the 36-state Organization of African Unity (OAU), held in Accra between 21 and 26 October, proved to be a generally lackluster affair that produced few concrete results. Nevertheless, it at least served to keep the African organization alive, and once again Africa's moderate leaders succeeded in placing their stamp on the proceedings.

The atmosphere was subdued throughout the meeting, which was the most poorly attended major OAU conference so far. Only 19 heads of state or government showed up, and some of these left early. A group of eight conservative, French-speaking states led by the Ivory Coast boycotted the meeting entirely and will probably continue trying to build up their own regional grouping--the African and Malagasy Common Organization--to the detriment of the OAU.

The principal subjects taken up at the OAU meeting were Rhodesia, subversion in Africa, the growing refugee problem, and Ghanaian President Nkrumah's latest proposals in behalf of early continental union. After much emotional oratory on the threatened declaration of independence by Rhodesia's white minority government, the resolution that finally emerged commits OAU members to little in the way of action. It places the onus for salvaging the situation primarily on Britain, a position particularly favored by Commonwealth Africans.

On the touchy subject of subversion--an area in which conference host Nkrumah has been the worst but hardly the only culprit--a declaration was adopted in which member states "solemnly" agreed they would "not tolerate" such activity originating in their own states or outside Africa and directed against other member states. Members also once again piously pledged themselves to settle their differences through bilateral "consultation" and the OAU machinery, now formalized by the institution of the long-projected 21-member Commission on Mediation, Conciliation, and Arbitration.

A separate resolution on refugees, similarly without any real enforcement mechanism, reaffirms that they may be given assistance but reminds member states of their pledge to prevent such persons from carrying out acts harmful to the interests of other OAU countries.

Nkrumah's drive for a permanent executive council for the OAU came to nought. Similarly, Nkrumah appears to have had little success in promoting his long-cherished scheme for an African defense command.

With the controversial Tshombé now out of office in Leopoldville, the previously divisive Congo issue was quietly dropped from the agenda, as were the Vietnamese and India-Pakistan questions. No formal position was adopted toward the Algiers Afro-Asian conference.

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BURUNDI TRIBAL TENSIONS GROWING

Burundi remains quiet, but tribal tensions are growing. Tutsi extremists continue to press for strong retaliatory measures against Hutus involved in last week's coup attempt. The government has executed more than 40 coup participants from the army or gendarmerie, and most Hutu political leaders, including the top officers of the National Assembly and Senate.

The coup attempt may have been the opening round in a general Hutu campaign against continuing Tutsi domination and the government of Tutsi King Mwambutsa IV. It was the first known instance of Hutus resorting to arms against the government, and

the first time rural Hutus reacted violently against Tutsis for events occurring in the capital city, Bujumbura. Several of the Hutu coup participants escaped into the countryside or fled into Rwanda. They may form an organizational nucleus for a new coup attempt, perhaps with some clandestine help from Hutu-dominated Rwanda.

Pressures are also growing for the expulsion of the American Embassy, accused by Tutsi extremists of complicity in the Hutu coup.

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SUDANESE COALITION GOVERNMENT ESCAPES DISSOLUTION

The Sudan's fragile coalition government narrowly escaped dissolution this week.

The strong radical faction within the urban-based National Union Party (NUP), resentful of the dominant role played by its coalition partner, the rural Umma Party, has been pressing NUP President Azhari to bolt the coalition. Azhari reportedly agreed to do this after the Umma prime minister, Mohammed Mahjoub, refused to allow him to lead the country's delegation to the Organization of African Unity conference in Accra.

Umma leaders, however, apparently managed to convince Azhari and other NUP representatives that they had nothing to

gain by a breakaway, and the coalition has been salvaged for the time being. In an effort to save face for the NUP, the Umma has reportedly agreed to ease out Mahjoub and reshuffle the cabinet on some "new basis."

If the NUP should eventually pull out, the Umma could probably scrape together a majority in the Constituent Assembly with the support of various tribal representatives. The Umma, however, has little support in the Khartoum area, and an all-Umma government would face a heavy barrage from its urban leftist opposition.

The insurrection in the south is also becoming more serious, and the morale of army troops attempting to suppress

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the rebellion is low. The government has made no progress toward finding a political answer to the southerners' sep-

aratist demands, and the military stalemate will probably continue indefinitely. [REDACTED]

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BEND TO THE LEFT IN THE CONGO

The Leopoldville government, in the wake of Premier Tshombé's dismissal, seems to be projecting a more militant and orthodox "African" image.

The shift in emphasis apparently stems in part from a desire to identify more closely with other African states, particularly Ghana. It also was reportedly triggered by Interior Minister Nendaka's belief that the US must be blackmailed into increasing its aid.

The Congolese are aware of their dependence on US and other Western aid, however, and are unlikely to risk losing it. For this reason, they probably will not go much beyond President Kasavubu's careful "African nationalist" platitudes at the Organization of African Unity conference in Accra this week, or Nendaka's attempt to frighten Ambassador Godley with musings that the Congo might have to vote for Communist China in the UN.

The most sensitive issue at the moment is the continued presence of the white mercenaries who now are doing most of the

fighting against the rebels in the northern and eastern Congo. The contracts of many of the South African mercenaries including their commander, Lt. Col. Hoare, expire in December, and these may not be renewed. However, the French and Belgians who comprise the bulk of the remainder--and who are less competent soldiers than the South Africans--apparently retain their loyalty to Tshombé. Leopoldville apparently is trying to recruit Spaniards to dilute these units of questionable loyalty.

Brussels initially was deeply concerned with Tshombé's dismissal and its impact on Belgian interests in the Congo. The Belgians, who now are maintaining a wait-and-see attitude, insist that, before they will deal with the new Kimba government, Kasavubu must reconfirm his previous commitments to them. Foreign Minister Spaak, who has become increasingly impatient with the Congo in general, is the architect of this approach. Privately, however, he has assured US officials that Brussels is willing to continue and, in fact, increase its assistance to the Congo if the political situation there normalizes. [REDACTED]

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NO CHANGE IN SOVIET POLICY TOWARD WEST AFRICA

Moscow's handling of recent visits by the Presidents of Mali, Guinea, and Congo (Brazzaville) indicates that Soviet policy toward West Africa remains essentially unchanged since Khrushchev's ouster. While attempting to enhance the USSR's position as the staunch supporter of Afro-Asian "progressives," the Soviet leaders remain reluctant to extend massive economic assistance to reap only dubious political dividends.

Moscow's efforts to improve its image in Africa have been abetted by China's heavy-handed tactics and crude diplomatic efforts to force African nations to line up behind Chinese policies. Peking's attitude--coupled with its limited capability to render significant economic assistance--has moved many of these African states to turn to Moscow, and in some cases to the West, for economic aid.

Disenchantment with Peking and the search for aid were in part behind some of the numerous visits by African leaders to Moscow this summer and fall. In addition, the USSR was attempting during this period to enhance its credentials in anticipation of the Second Afro-Asian Conference in Algiers. Several of the communiqués issued after the visits indirectly disparaged China's view of current international problems.

The 12 October Soviet-Mali communiqué revealed a striking example of an accommodation of views between Moscow and Bamako on contentious points in the Sino-Soviet dispute. Mali apparently shifted from the position it adopted in Peking a year ago, primarily because of disappointment over the paucity of Chinese aid. 25X1

[REDACTED]

Soviet aid will probably entail only a few more aid projects and a moratorium on and consolidation of the Malian debt. 25X1

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The communiqué signed by Guinean President Sekou Toure during his trip to Moscow in late July did not endorse anti-Chinese positions. However, during Chen Yi's visit to Conakry in September the Chinese were unable to obtain a reaffirmation of Guinea's endorsement of the Chinese position on Soviet participation in the Afro-Asian Conference. So far Guinea, its public pronouncements to the contrary, has been unable to obtain sizable economic support from the Soviets. [REDACTED]

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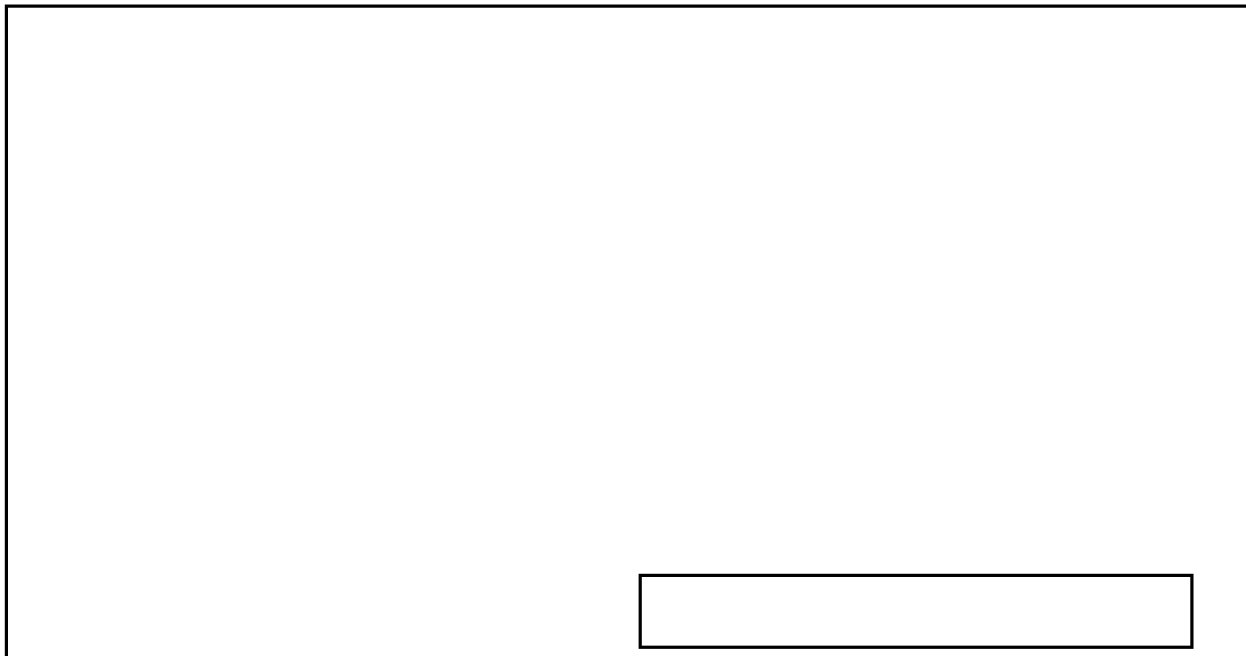
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PORTUGUESE OPPOSITION DRAWS VOCIFEROUS REGIME RESPONSE

The tempo of the regime-controlled campaign in Portugal for the National Assembly election of 7 November was abruptly stepped up last week with an all-out propaganda attack on the opposition's proposal of self-determination for the overseas provinces.

While permitting publication in full of a manifesto which severely criticized the regime, the government singled out for attack the self-determination proposal it contained. It sponsored rallies in Lisbon and overseas to demonstrate "public repudiation" of the proposal and equated support of self-determina-

tion with treason. All news media covered these attacks. The intensity of the government's charges shows again how sensitive and inflexible the regime is on this subject.

Faced with little chance of winning any Assembly seats and with the government's failure to meet minimum demands for a fair election, most opposition candidates withdrew from the race on 19 October, apparently satisfied with having focused attention on the fact that all Portuguese do not support the present authoritarian regime.

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Western Hemisphere

DOMINICAN REPUBLIC

An uneasy order was restored to Santo Domingo on 25 October when the Inter-American Peace Force (IAPF) moved into the former rebel zone. Whereas reduction of the zone by his own forces would probably have strengthened President Garcia Godoy's control over the country, his dependence on foreign troops to do the job has highlighted the weaknesses of the government: the civil-military split within it; its failure to provide decisive leadership; and its lack of broad popular support. While the IAPF should be able to keep order indefinitely, the need to use it for this purpose has set back hopes for reconciliation, and peaceful elections--scheduled before June 1966--could be delayed.

Events of the last two weeks have deepened the mistrust between Garcia Godoy and the military leaders. The military chiefs' repeated threats to "clean up" the rebel zone of their own authority have been silenced by the IAPF's move. The danger remains that Garcia Godoy might risk an attempt at abrupt dismissal of the military chiefs.

Since this might spark a military coup attempt, however, Garcia Godoy probably will try to work out some plan for getting rid of the most controversial military chiefs without losing the support of the armed forces.

Meanwhile, hostility between right- and left-wing civilian groups has not noticeably lessened. At least three left-wing politicians reportedly have been assassinated, presumably by right-wing vigilante groups, and a government ministry has been invaded by an armed mob "looking for Communists." On the left, sporadic strikes and demonstrations are being held to denounce the presence of the IAPF in Santo Domingo and to demand the dismissal of the military chiefs. Leading members of the pro-Castro 14th of June Group and the pro-Chinese Dominican Popular Movement are traveling to the interior to enlist support among farm and urban workers. Increasing tension in the provinces has given rise to the speculation 25X1 that the IAPF might have to extend its activities there to keep order.

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SWEEPING POLITICAL CHANGES IN BRAZIL

A series of drastic political changes announced by Brazilian President Castello Branco on 27 October has given him far-reaching new powers and introduced a new phase of the revolution that toppled the Goulart regime nearly 19 months ago. The effects of the new measures and indications as to just how strictly they will be enforced are far from clear yet, but their promulgation will radically affect domestic political alignments, national and international support for the Castello Branco government, and the pace and tactics used by the government in enacting its reform programs.

The announcement came as the result of the regime's expectation that Congress was about to reject several proposed constitutional amendments. The amendments--all included in the new decree--were drafted largely in response to heavy pressure on the President by the military which had interpreted a series of recent political events as threatening the integrity or the very existence of the revolution. These events included the election on 3 October of pro-Kubitschek governors in two important states, the return from exile the following day of former president Kubitschek himself, and Supreme Court decisions favorable to well-known enemies of the revolution.

The presidential decree is in the form of an institutional act, patterned after the one announced on 9 April 1964 following Goulart's overthrow. As with

the earlier document, the new 33-article act has in effect been superimposed on the country's 1946 constitution, with most of its provisions expiring on 15 March 1967 when Castello Branco's term as president ends.

The President's new powers include authority to impose a state of siege for periods of up to 180 days, to recess Congress, to intervene more easily in the states, to suspend any individual's political rights for a ten-year period, and to cancel the mandate of any legislator. Other changes involve the election of a new president by the Congress before 3 October 1966 (Castello Branco is specifically barred from succeeding himself), enlargement of the Supreme Court from 11 to 16 members, and the proscription of all existing political parties. New parties, according to the act, can be registered in conformity with a July 1965 law on reorganization of political parties.

The country has remained calm and the military forces have, as expected, responded favorably to the issuance of the Institutional Act, as have a number of state governors and other officials. Congress remains free to meet and no press censorship has been imposed, so criticism of the new measures can be expected to abound from domestic as well as foreign sources.

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PERUVIAN INSURGENCY MOVEMENT SUFFERS SETBACK

Peru's Movement of the Revolutionary Left (MIR) probably has not been permanently crippled by the clash between the army and guerrillas on 23 October that resulted in the death of Luis de la Puente Uceda. The MIR's southern zone of guerrilla operations, however, has suffered a severe setback--De la Puente was the southern regional commander as well as national chief of the MIR. In addition to the loss of their leader, MIR guerrillas in the south have been subjected to a two-month army siege which, if not conclusive, at least succeeded in scattering them.

The MIR does not lack leaders capable of replacing De la Puente as national chief. Its organization in Lima and guerrilla units in central and northern Peru have long been under the direction of

well-qualified men. Guillermo Lobation Milla, commander of the central zone, probably is outstanding among them. Moreover, second-echelon MIR members have been trained to step into leadership roles when necessary. This multiplicity of talent could work to the detriment of the MIR, however, as it raises the possibility of a leadership struggle. De la Puente is not known to have designated any one of his lieutenants as second in command.

De la Puente's death is likely to imbue the Peruvian Army with new spirit and confidence. Army morale had been steadily declining during recent weeks because of the frustrations of the long and inconclusive antiguerrilla campaign. The army now is expected to turn its attention toward the central-zone guerrillas.

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BOLIVIAN POLITICAL MANEUVERING

Bolivian political and military leaders expect the junta to announce in the next few weeks that general elections will be held in late May or early June. The announcement, if it comes, may be made as early as 4 November, the anniversary of last year's revolution.

Resolution of the election question, however, depends on decisions to be made by Co-President Barrientos, who finds himself in a dilemma. He cannot be a presidential candidate under existing electoral law unless he resigns from public office at least six months before the election.

Moreover, military leaders have made it clear they will not permit him to run for the presidency while still in uniform. If he resigns from the junta and gives up his military commission, however, he would leave control of the government and the armed forces in the hands of Co-President Ovando.

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[REDACTED]

backing him in a left-of-center coalition. The parties, however, have adopted a wait-and-see attitude pending his decision on elections. [REDACTED]

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Barrientos is doing his best to prepare for all contingencies. While working hard on strengthening his support among the country's armed peasants, he is also trying to talk some of the political parties into

In addition to the political uncertainties, the problem of unrest in the tin mines is still unsolved. The miners have turned down the government's proposed wage increase, and peace in the mining region is fragile. The next several weeks may therefore be critical ones in Bolivia. [REDACTED]

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United Nations

CHINESE REPRESENTATION ISSUE AGAIN BEFORE GENERAL ASSEMBLY

The Chinese representation issue is expected to come before the UN General Assembly next week. Prospects are that Peking will once again be denied admission, but by the closest vote ever. Present estimates anticipate a majority of only seven votes against the Albanian resolution calling for the seating of Peking and the exclusion of Taipei, with about ten countries abstaining. Moreover, there is always the possibility of some slippage in these estimates--especially if a formula less hostile to Taipei were presented.

Peking is thus very close to achieving a simple majority, which would have a significant psychological impact on further consideration of the issue, but there are still other blocks to its entry, for the present at least. The "important question" ruling of 1961, which specifies that a vote on this question requires a two-thirds majority, is likely to be reaffirmed this year by a margin of 20 votes. Furthermore,

Italy has put forth the idea of a committee to study the representation problem, which, if accepted, would also delay a showdown.

The Italian suggestion probably reflects not only some uneasiness that a fall-back position could conceivably become necessary, but also a general sentiment among the membership that Peking's continued exclusion is not realistic. For example, the Chinese representation question is coming up at the same time the UN is to consider a world disarmament conference, and some wavering members might hope that Peking could be induced to attend such a conference if its position in the UN were improving. In a recent speech, Secretary General Thant linked disarmament and Chinese representation, arguing that the UN would be able to contribute significantly to disarmament "only when the one nuclear power...outside the United Nations...can be involved in discussions on disarmament." [REDACTED]

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